GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Water Resources Department – Suits – Arbitration - Sanction for an amount of **Rs. 5,04,38,000/-** to M/s Pioneer Builders Contractor as full and final settlement of the claim towards the work of Earthwork Excavation, lining and construction of structures on SRBC from Km 10.000/ 10.220 to Km 16.000/17.056 (AP-II:ICB Package No.1) and form Km.30.000/31.486 to Km.33.000/38.865 (AP-II:ICB Package No.4) - Orders - Issued.

WATER RESOURCES (ARB) DEPARTMENT

G.O.RT.No. 122

Dated: 18-03-2025

Read the following :-

1. The Hon'ble Subordinate Judge Court, Nandyal, Orders dt.03.04.1996 In O.S.No.4/92 and O.S.No.11/92.
2. From the Chief Engineer & DWRO, Water Resources Department, Kurnool, Letter No. CE/KNL/ICD32-TWOSRBC(MIS)/15/2020/DEE2/ AEE1/SRBC-ARB, dated:18.09.2020 & 15-10-2020.
3. G.O.Rt.No.562 Water Resources (ARB) Department, Dated:19.11.2020.
4. From the Advocate-on-Record for the State of Andhra Pradesh , Supreme Court of India, letter dated:17.02.2023.
5. From the Engineer in Chief (Irrigation), Vijayawada, Lr. No.ENC(I)/ DCE(GDS)OT1/ AEE5/ Conciliation/ SRBC/ Pioneer, dated:09.06.2023.

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ORDER:-

In the reference 2nd read above, the Chief Engineer & DWRO, Water Resources Department, Kurnool has reported that *the two works of Earth Work Excavation, Lining and Construction of Structures on SRBC Canal taken up Under AP II - ICB Package No.1 and ICB Package No.4 were awarded to M/s Pioneer Builders, Engineers and Contractors, Hyderabad. After executing the works to the tune of 38% and 53% respectively and the Agency has requested for Extension of Time (EOT) up to 31-12-1992. But, the department has expelled the Agency from the above two works under Agreement Cl.50 (1) (e). The Agency filed OS No.4/92 and OS 11/92 in the Subordinate Judge Court, Nandyal and the Court decreed for an amount of Rs.2,71,84,244/- and Rs.4,37,95,369/- respectively with 15% interest there on from the date of suit till the date of payment duly allowing amendment of petitions in IA No. 20/93 and 19/93 vide in the reference 1st read above.*

2. In the reference 3rd read above, Government have constituted the conciliation committee on the request of the Chief Engineer, DWRO, Water Resources Department, Kurnool and the Engineer-in-Chief (Irrigation), Vijayawada, to negotiate the issues with M/s Pioneer Builders on the directions of Hon'ble Supreme Court vide Civil Appeal No's 6114, 6115 of 1999 and 1005, 1006 of 2000 and SLP's 12006/2008 (Civil Appeal Nos.6531-32 of 2012) and 12012/2008 (Civil Appeal Nos.6533-34 of 2012) and SLP's 28229, 230 of 2008 and 28232-33/08 in Hon'ble Supreme Court with the agency and also as per the direction given by the mediator appointed by the Hon'ble Supreme Court.

3. In the reference 5th read above, the Engineer-in-Chief (Irrigation), Vijayawada, convener of Conciliation Committee conducted a Conciliation Committee meeting on 31-05-2023. During the meeting, after detailed discussions and negotiations with M/s Pioneer Builders, the committee opined that there is no ambiguity for acceptance of payment of Rs.4.30 Crores with simple interest of 10% from date of award of mediation i.e., 09-09-2021 upto 31-05-2023 (Rs.74,37,710), the amount works out to Rs.5,04,38,000/-. The Agency has accepted for payment of Rs.4.30 Crores with 10% simple interest from 09-09-2021 up to 31-05-2023.

4. Government after careful examination of the entire matter, hereby accord sanction of an amount of Rs.5,04,38,000/-(Rupees Five crores Four lakhs and Thirty eight thousand only) to M/s Pioneer Builders, contractor as full and final settlement of

the claim towards works of *"Earth Work Excavation, Lining and Construction of Structures on SRBC Canal taken up Under AP II - ICB Package No.1 and ICB Package No.4" as recommended by the Conciliation Committee and as agreed by the contractor, subject to condition that the above said contractor should withdraw all legal proceedings pending in the courts in respect of the above said works against the Government or its representative Officer after realization of the sanctioned amount by the above contractor.*

5. The expenditure sanctioned in para (4) above shall be chargeable to the Head of Account "4700-COL on Major Irrigation-01 Major Irrigation-Commercial-121 SRBC-GH(11) State Development Schemes-SH(27) C&D-530 Major works-531 Major works(charged)".

6. The Chief Engineer & DWRO, Water Resource Department, Kurnool, is directed disburse the amount to the above contracting firm and obtain a declaration on the notarized affidavits from the contracting firm stating that he shall withdraw all legal proceedings in respect of the work against the Government of Andhra Pradesh or its representative after realization of the accepted amount. Further, he is also directed to instruct the disbursing office concerned to obtain declaration from the above contractor accepting the amount as full and final settlement of all its claims before disbursement of the above sanctioned amount.

7. The Chief Engineer & DWRO, Water Resource Department, Kurnool is requested to take immediate necessary action accordingly.

8 This order issues with the concurrence of the Finance (W&P) Department, vide their U.O.No.FIN01-FMU0PC(WR3)/5/2020-FMU-WR-III, dated:18.06.2024.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

G.SAI PRASAD
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To

The Engineer-in-Chief (Irrigation), Water Resource Department, Vijayawada.
The Chief Engineer & DWRO, Water Resource Department, Kurnool.

Copy to:

The Government Pleader for Irrigation, High Court of Andhra Pradesh, Amaravati.
The Pay & Account Officer, Nandyal.
The Director of Works & Accounts, Kadapa.
The Finance (FMU.WR.III) Department.
The Law Department.
The P.S to Minister (WRD) Department.
The P.S to Secretary (WRD) Department.
SF/SC

//FORWARDED::BY ORDER//

SECTION OFFICER